



# Office of Inspector General FY 2014 Work Plan

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Presented to the  
Legal Services Corporation  
Board of Directors  
January 25, 2014



# OIG Mission

To independently and objectively:

- Conduct and supervise audits and investigations to:
  - Prevent and detect fraud and abuse
  - Promote economy, efficiency, and effectivenessin LSC and Grantee operations
- Keep the Board and the Congress fully and currently informed about problems and deficiencies

**Source: Inspector General Act of 1978, as amended 5, U.S.C. app. 3.**



## Contribute to LSC's Success

Increase public confidence in the expenditure of scarce LSC funds by providing objective and useful analysis to decision-makers to:

- Enhance oversight and management
- Increase accountability, responsibility, and transparency in LSC and grant recipient operations



## FY 2013 Highlights

- Issued **55** Audit recommendations to LSC Grantees
- Reviewed **132** Grantee Audit reports; referred **12** IPA findings to LSC Management
- Issued **8** OIG audit reports (\$29.9 million in LSC grant funds reviewed)
- Completed second year of Grantee Audit Quality Controls Reviews (**30**); issued summary report; started third year
- Identified questioned costs (**\$301,577**)
- Closed **23** investigations
- Cases resulted in **2** referrals to prosecutors/**1** sentencing action and generated \$85,328 in court-ordered investigative recoveries
- Conducted first fraud vulnerability assessment of LSC HQ
- Performed **20** fraud awareness briefings/**1** nation-wide webinar



## FY 2013 Highlights Continued

- Issued fraud vulnerability assessments and regulatory vulnerability assessments summary reports
- Received favorable ruling in CRLA subpoena enforcement case
- Recommended improvements to LSC's grantee enforcement mechanisms
- Initiated debarment of IPA
- Commented on: LSC's risk management program, conflicts of interest policy, procurement and IT plan
- Issued advisories on potential employees benefits fraud and management memoranda on FDIC insurance coverage and fiscal management practices
- Received CIGIE Award for Excellence for new regulatory vulnerability assessment program



# Planning Process

- Mandated work (routine and new initiatives)
- Remain flexible
  - Stakeholder requests (Congressional, Board or Management)
  - GAO reviews
  - New information, including the OIG Hotline
- Government-wide management challenges
- Continuous risk assessments (LSC/Grantee operations)
- Identified LSC Challenges: Stewardship, program accountability & performance/ grants management & compliance/IT, acquisitions management and human capital



# FY 2014 Considerations

- Update of OIG's Strategic Plan - in process
  - Mission
  - Values
  - Environment
  - Major Management Challenges
  - Goals
  - Objectives
- LSC Strategic Plan 2012-2016
  - LSC's Strategic Goals/Initiatives/Accountabilities
- Resource Constraints
- To be reviewed by DOJ OIG



## *Executive Functions*

- Submit Semiannual Reports to Congress
- Keep agency head informed
- Respond timely and completely to Congressional requests and meet with Congressional staff
- Consult, by request, on topics of interest to LSC Board or Management
- Participate actively in CIGIE activities, including the CIGIE Audit Committee
- Conduct strategic & annual planning
- Manage OIG Human Resources
  - Retain, recruit, develop highly qualified staff
  - Meet professional training requirements
  - Provide career development opportunities



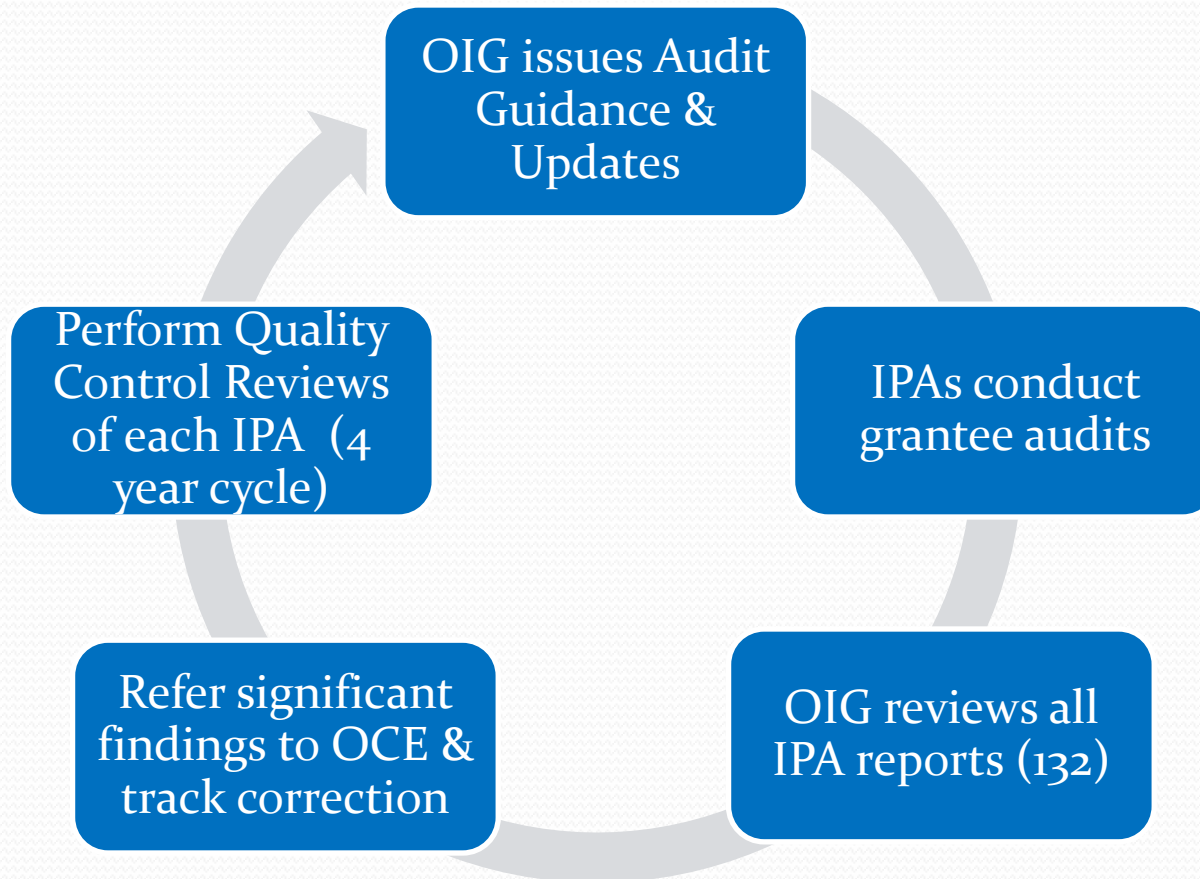


# *Audit Functions*

- Direct LSC audit program
- Perform audits of LSC/grantee operations
  - Financial / Compliance/ Performance / IT Security
- Oversee grantee audit process, including:
  - Quality Control Review (QCR's) Program
  - IPA Findings
- Monitor open recommendations resolution
- Contract/oversee annual LSC financial audit
- Conduct and receive peer reviews (LSC OIG peer review scheduled for 2014, by Federal Housing Finance Administration)



# Oversee Annual Grantee Audit Process





# *Investigation Functions*

- Investigate instances of fraud, waste, abuse and mismanagement; report results to appropriate authorities
  - Receive, process and investigate complaints or information
  - Operate the national reporting HOTLINE
  - Refer evidence of crimes to prosecutors
- Fraud and Non-Compliance Prevention
  - Investigations
  - Enhanced Fraud Awareness Briefings
  - Vulnerability Assessments
  - Alerts and Advisories



## *Legal Functions*

- OIG General Counsel
- Review and comment on legislation, regulations and policies
- Review subpoenas for legal sufficiency and enforceability
- Suspend or debar IPAs from auditing LSC grantees as needed
- Respond to and coordinate FOIA requests



# *Management & Evaluation Functions*

- **OIG administration**
  - Planning, budgeting, procurement and office operations
- **Information management systems**
  - Build and maintain OIG website & intranet (OIG Connect)
  - Investigative case management
  - Records/Document management
- **Operations planning and analytical support**



# Comments or Questions